

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3074-01
Bill No.: SB 713
Subject: Libraries and Archives; Department of Revenue; Taxation and Revenue - Sales and Use
Type: Original
Date: January 26, 2010

Bill Summary: Would allow public library districts to seek voter approval for a sales tax to fund libraries within such districts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State, Cass County, and St. Louis County** assume the proposal would not fiscally impact their organizations.

In response to a similar proposal (HB 1394 LR 3044-01) officials from the **City of Centralia** and the **City of Kansas City** assumed the proposal would have no fiscal impact on their organizations.

Officials from the **Department of Revenue (DOR)** assume this proposal would allow a public library, by majority vote, to impose a tax not to exceed one-half of one percent on retail sales to fund public libraries.

DOR officials stated that there are at least 149 such districts, and DOR would require one FTE Revenue Processing Technician I (Range 10, Step L) to assist in implementing any tax, including registration of businesses, maintaining business lists and coordinating changes with the districts.

DOR estimated that this new FTE would cost \$38,813 in FY 2011, \$42,082 in FY 2012 and \$43,343 in FY 2013.

Oversight assumes the impact on DOR would depend on the number of library district governing bodies, if any, which would adopt such a sales tax and obtain voter approval. If a significant number of library districts were to do so, Oversight assumes that DOR could request resources through the budget process.

DOR officials estimated that the IT portion of the fiscal impact would be \$4,441 based on one FTE for one month, for modifications to the department's tax systems.

Oversight assumes OA-ITSD (DOR) is provided with core funding to handle a certain amount of normal activity each year. Oversight assumes OA-ITSD (DOR) could absorb the costs related to this proposal. If multiple bills pass which require additional staffing and duties at substantial costs, OA-ITSD (DOR) could request funding through the appropriation process.

Oversight assumes this proposal is discretionary and there would be no local government fiscal impact without action by the governing body of a library district.

FISCAL IMPACT - State Government

FY 2011
(10 Mo.)

FY 2012

FY 2013

\$0

\$0

\$0

FISCAL IMPACT - Local Government

FY 2011
(10 Mo.)

FY 2012

FY 2013

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

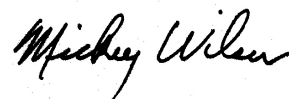
FISCAL DESCRIPTION

The proposed legislation appears to have no fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of the Secretary of State
Department of Revenue
Cass County
St. Louis County



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Director
January 26, 2010

KG:LR:OD)